

WILLKIE FARR & GALLAGHER

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Washington, DC
New York
London
Paris

October 24, 1989

VIA FEDERAL EXPRESS

Mr. Brad Bradley
Project Coordinator
United States Environmental
Protection Agency
Region 5
230 South Dearborn Street
Chicago, Illinois 60604

Re: Granite City Draft Preliminary FS Report

Dear Mr. Bradley:

On behalf of NL Industries, I am writing to clarify the schedule for submitting a response to your October 3, 1989 letter disapproving the Granite City Draft Preliminary FS Report. In the first paragraph of that letter you state that EPA has disapproved the Draft Preliminary FS Report pursuant to Subparagraph 15(a) of the Administrative Consent Order (ACO) governing this project. In the last paragraph of the letter, however, you state that your letter represents final agency action pursuant to subparagraph 14(b)(7) of the ACO and that the Final Preliminary FS report is due within thirty (30) days.

Our reading of the ACO indicates that your October 3, 1989 letter was in fact a disapproval of NL's FS Report pursuant to Paragraph 15(a), not paragraph 14(b)(7). Therefore, NL must submit revisions to correct any inadequacies within 30 days of the disapproval, pursuant to Paragraph 16. EPA then has 30 days to review the revisions and submit changes it deems necessary, pursuant to paragraph 17. The parties then have an additional thirty days to reconcile all differences (pursuant to paragraphs 17 and 18) before EPA's final resolution of outstanding issues, which then becomes final agency action.

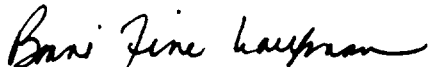
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Mr. Brad Bradley
October 24, 1989
Page Two

We would appreciate it if you could confirm your agreement with this reading of the Consent Order as soon as possible. If you have any questions or if I can provide further assistance, please do not hesitate to call.

Sincerely,

A handwritten signature in cursive script, reading "Bonni Fine Kaufman".

Bonni Fine Kaufman
Counsel for NL Industries